

1 FIRST AMENDMENT

2 BILL NO. 2014-33

3 ORDINANCE NO. 6324

4 AN ORDINANCE TO ESTABLISH LICENSING REGULATIONS AND STANDARDS FOR
5 MEDICAL MARIJUANA ESTABLISHMENTS, AND TO PROVIDE FOR OTHER RELATED
6 MATTERS.

6 Sponsored by:

Summary: Establishes licensing regulations and
standards for medical marijuana establishments.

7
8 THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS
9 FOLLOWS:

10 SECTION 1: The document that is attached to this Ordinance is hereby adopted and
11 incorporated by reference. The provisions contained in the attached document:

12 (A) Contain section headings or catchlines, which are not to be considered part of the
13 Ordinance and are intended for information and clarification purposes only.

14 (B) Are intended to be codified and integrated into the Las Vegas Municipal Code as a
15 discrete chapter of Title 6. The attachment shows the provisions being adopted as a Chapter 95, with the
16 chapter being broken into constituent sections. However the provisions may be codified in a different
17 chapter and configuration. In connection with the codification, headings or catchlines will be supplied by
18 the codifier, as well as chapter and section numbering, which may or may not be the same or similar to
19 those set forth in the attached document.

20 (C) Before and after the codification referred to in Subsection (B), shall prevail over
21 and govern any other provisions of LVMC Title 6 to the extent of any consistency or conflict, except where
22 the City Manager or designee may determine the intent to be otherwise.

23 SECTION 2: If any section, subsection, subdivision, paragraph, sentence, clause or
24 phrase in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or
25 ineffective by any court of competent jurisdiction, such decision shall not affect the validity or
26 effectiveness of the remaining portions of this ordinance or any part thereof. The City Council of the City

1 of Las Vegas hereby declares that it would have passed each section, subsection, subdivision, paragraph,
2 sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections,
3 subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

4 SECTION 3: Whenever in this ordinance any act is prohibited or is made or declared to
5 be unlawful or an offense or a misdemeanor, or whenever in this ordinance the doing of any act is required
6 or the failure to do any act is made or declared to be unlawful or an offense or a misdemeanor, the doing of
7 such prohibited act or the failure to do any such required act shall constitute a misdemeanor and upon
8 conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for a term of
9 not more than six months, or by any combination of such fine and imprisonment. Any day of any violation
10 of this ordinance shall constitute a separate offense.

11 SECTION 4: All ordinances or parts of ordinances or sections, subsections, phrases,
12 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983
13 Edition, in conflict herewith are hereby repealed.

14 PASSED, ADOPTED and APPROVED this 4TH day of June, 2014.

15 APPROVED:

16 By C. Goodman
17 CAROLYN G. GOODMAN, Mayor

18 ATTEST:

19 Beverly K. Bridges
20 BEVERLY K. BRIDGES, MMC
City Clerk

21 APPROVED FOR EXECUTION:

22 Val Steed 6-5-14
23 Val Steed, Date
24 Deputy City Attorney
25
26

1 The above and foregoing ordinance was first proposed and read by title to the City Council
2 on the 21st day of May, 2014, and referred to a committee for recommendation; thereafter
3 the said committee reported favorably on said ordinance on the 4th day of June, 2014,
4 which was a regular meeting of said Council; that at said regular meeting, the proposed
5 ordinance was read by title to the City Council as amended and adopted by the following
6 vote:

7 VOTING "AYE": Mayor Goodman and Councilmembers Anthony, Tarkanian, Ross,
Barlow, Coffin and Beers

8 VOTING "NAY": None

9 EXCUSED: None

10 ABSTAINED: None

11
12 APPROVED:

13 
14 CAROLYN G. GOODMAN, Mayor

15 ATTEST:

16 
17 BEVERLY K. BRIDGES, MMC City Clerk

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

SECTION 1: Title 6 of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, is hereby amended by adding thereto a new chapter, designated as Chapter 95, consisting of Sections 10 to 250, inclusive, reading as follows:

CHAPTER 6.95 MEDICAL MARIJUANA ESTABLISHMENTS

6.95.010 Findings.

A. The Las Vegas City Council finds:

1. In 2013 the Nevada Legislature passed, and the Governor signed into law, Senate Bill 374, now codified in NRS 453A, which allows medical marijuana establishments within the state of Nevada; and requires such establishments to comply with all local business licensing requirements and local land use and code requirements;
2. Federal law and related regulations classify marijuana as a Schedule I controlled substance and prohibit its cultivation, possession, dispensing and use, among other things, for medical reasons or otherwise. This Ordinance is intended to implement NRS 453A and to establish criteria for the issuance of licenses that are a prerequisite for the exemption from state prosecution provided for in NRS 453A;
3. Nevada law also allows the City to enact regulations to protect and promote the public health, safety and general welfare and regulate the use of buildings, structures, land use and business and other purposes;
4. Law enforcement and residents of states that authorize the medical use of marijuana report, among other things, that dispensaries and the medical use of marijuana are correlated to myriad negative secondary effects such as an increase in violent armed robberies, burglaries, traffic, noise, drug and gang activity, organized crime and other issues related to the presence of large amounts of cash, such as money laundering and firearms violations and the underreporting of crimes committed at Medical Marijuana Establishments, the creation of opportunities for the diversion of marijuana for medical use into illegal use, increased poisonings, structural fires and mold growth, and decreased quality of life; and a disregard of environmental standards;
5. The strong odor of marijuana plants, which increases as the plants mature, is offensive to many individuals and creates an attractive nuisance, alerting people to the location of valuable marijuana plants and creating an increased risk of crime;
6. Marijuana and cannabis edible and infused products pose risks to children, elderly and non-user populations; and
7. The public health, safety and welfare require that medical marijuana facilities and their employees be regulated and licensed in order to protect the public.

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- B. The City Council declares that this Medical Marijuana Chapter is an exercise of the regulatory powers delegated to the City Council pursuant to the City Charter and NRS 268. The regulations contained in this Ordinance involve, to the highest degree, the economic, social, physical and moral well-being of the residents and taxpayers of the City. The cultivation, distribution, production and sale of medical marijuana is not a matter of right but of privilege, which would otherwise be unlawful if it were not conducted pursuant to NRS 453A, local land use regulations and a license under this Ordinance. This privilege may be denied, revoked, conditioned, suspended or subjected to any other disciplinary action by the City in the exercise of its police powers for the protection of the safety, welfare, health, peace and morals of the residents and taxpayers thereof. Businesses engaged in the sale or other disposition of medical marijuana must therefore comply with LVMC Chapter 6.06 and all requirements of this Ordinance. Every person licensed pursuant to this Ordinance shall cooperate with the Department and Metro personnel in the exercise of their duties under this Ordinance.
- C. Nothing in this Ordinance shall be construed to confer any legitimate claim of entitlement to any benefit which might otherwise devolve upon any licensee or any person approved for suitability.
- D. Nothing in this Ordinance is intended to authorize or make legal any act that federal or state law does not permit or sanction or assist any violation of any federal or state law. This Ordinance is intended to implement NRS 453A and to establish criteria for the issuance of licenses that are a prerequisite for the exemption from state prosecution provided for in NRS 453A.

6.95.020 Definitions.

Unless the context otherwise requires, the scope of all words in this Ordinance shall be liberally construed in order to effectuate the purpose of this Ordinance, and, in particular, the following words shall have the meaning ascribed to them as follows:

"Adequate supply" means the immediate availability, as determined by the Director, of a sufficient quantity and quality of medical marijuana, any specific strain of medical marijuana or any particular infused product to meet the immediate demand of registry identification card holders qualified under NRS 453A.362 within the City.

"Cannabis" or "marijuana" have the same meaning, and as may be amended, as defined by Nevada Revised Statutes Chapter 453A.

"Compliance permit" means a permit issued under LVMC 6.95.040.

"Cultivation facility" has the meaning ascribed to it in NRS 453A.056, and means a business that is registered under NRS 453A.322 and acquires, possesses, cultivates, delivers, transfers, transports, supplies or sells marijuana and related supplies to a medical marijuana dispensary, facility for the production of edible marijuana products or marijuana-infused products or other cultivation facilities.

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“Designated primary caregiver” has the meaning ascribed to it in NRS 453A.080.

“Edible marijuana products” has the meaning ascribed to it in NRS 453A.101 and means products that contain marijuana or an extract thereof and are intended for human consumption by oral ingestion; and are presented in the form of foodstuffs, extracts, oils, tinctures and other similar products.

“Independent testing laboratory” has the meaning ascribed to it in NRS 435A.107 and is a business certified under NRS 453A.368 which provides independent testing of marijuana, edible marijuana products and marijuana-infused products that are to be sold in the State.

“Medical marijuana” has the meaning ascribed to it in NRS 453A.096 and as used in accordance with NRS 453A.120.

“Marijuana infused products” has the meaning ascribed to it in NRS 453A.112 and means products that are infused with marijuana or an extract thereof; and are intended for use or consumption by humans through means other than inhalation or oral ingestion. The term includes, without limitation, topical products, ointments, oils and tinctures.

“Medical marijuana dispensary” has the meaning ascribed to it in NRS 453A.115, and means a business that is registered under NRS 453A.322 and which acquires, possesses, supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification card.

“Medical marijuana establishment” has the meaning ascribed to it in NRS 453A.116 and means any establishment licensed under this Ordinance and in possession of a valid registration certificate under NRS 453A and may include a medical marijuana dispensary, medical marijuana production facility, cultivation facility or independent testing laboratory.

“Medical marijuana production facility” has the meaning ascribed to a “facility for the production of edible marijuana products or marijuana-infused products” in NRS 453A.105 and means a business which acquires, possesses, manufactures, delivers, transfers, transports, supplies or sells at wholesale edible marijuana products or marijuana-infused products to medical marijuana dispensaries.

“Ownership interest” means any principal, person, beneficial owner as defined by 6.50.020, and individual persons holding any ownership or financial interest for each business entity including all businesses organized under or governed by Title 7 of the Nevada Revised Statutes including but not limited to private corporations, publicly-traded corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations (“Business Entities”). Ownership interest in the context of publicly traded corporations shall include all corporate officers and members of any board of directors, and also includes individuals with ten percent or more ownership or financial interest in the publicly traded corporation. To the extent that a Business Entity has an ownership interest in a medical marijuana establishment, the term “ownership interest” shall also include all individuals with an ownership interest in such Business Entity. It is the intent of this Ordinance that

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all individuals with a direct or indirect ownership interest in a medical marijuana establishment be disclosed and be subject to the requirements of this Ordinance.

"Paraphernalia" has the meaning ascribed to it in NRS 453A.125.

"Registration certificate" means a certificate issued pursuant to NRS 453A.322 by the State regulating authority. In accordance with subsection 3 of NRS 453A.326, any registration certificate issued by the State regulating authority is provisional until such time as the establishment is in compliance with all applicable City ordinances and rules, and the City has issued a business license for the operation of the establishment.

"Registry identification card" has the meaning ascribed to it in NRS 453A.140.

"State regulating authority" means The Division of Public and Behavioral Health of the Department of Health and Human Services of the State of Nevada and/or any other agency assigned to administer NRS 453A.

6.95.030 Unlawful Acts.

- A. It shall be unlawful for any person to operate any marijuana establishment in the City without a valid registration certificate duly issued by the State regulating authority, and a license issued pursuant to this Ordinance and operating in compliance with any and all applicable state laws and the Las Vegas Municipal Code.
- B. It shall be unlawful for any person to provide marijuana, edible marijuana products or marijuana infused products to a medical marijuana establishment within the City without a registration certification duly issued by the State regulating authority and a license issued by the City.
- C. Except for sales pursuant to NRS 453A.352(5), it shall be unlawful for any licensed medical marijuana establishment located within the City to accept for sale any marijuana, edible marijuana products or any marijuana infused products from any person who has not obtained a registration certificate from the State regulating authority, or who is not duly licensed under this Ordinance for the provision of such products.
- D. It shall be unlawful for a person to engage in any form of business or commerce involving the cultivation, processing, manufacturing, storage, sale, distribution, transportation or consumption of marijuana other than those forms of businesses and commerce that are expressly contemplated by NRS 453A and any administrative rules duly adopted by the State regulating authority.
- E. It shall be unlawful for any person to sell medical marijuana at a licensed medical marijuana dispensary at any time other than between the hours of 6:00 a.m. and 10:00 p.m. daily.
- F. It shall be unlawful for any medical marijuana dispensary to sell medical marijuana without complying with State requirements concerning use of the electronic verification system maintained by the State regulating authority,

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including authenticating the validity of the medical marijuana registry identification card with the State electronic verification system.

6.95.040 Medical Marijuana Compliance Permit Required.

- A. A medical marijuana compliance permit issued by the City Council is required prior to the Director accepting a license application for a medical marijuana establishment.
- B. The City Council may consider proposals for a medical marijuana compliance permit from any business or individual applying to the State regulating authority for a registration certificate for a medical marijuana establishment located within the City.

6.95.050 Permit Application.

Upon determination to accept medical marijuana compliance permit applications for medical marijuana establishments, the Director shall issue a request for permit applications specifying the types of medical marijuana establishments for which medical marijuana compliance permit applications may be accepted, which request shall also establish the deadline to submit medical marijuana compliance permit applications. The Director shall:

- A. Post on the website of the Department at least 10 days prior to the acceptance period for such submittals the type of medical marijuana establishment permits that will be accepted.
- B. Provide a permit application period within which all applications must be submitted, which period shall be not more than 10 days, with a 3:00 p.m. Pacific Time deadline for all submitted applications on the final day.
- C. Return to the entity that submitted an application, any application received at a time other than the time set forth in this subsection, and consistent with the notice posted on the website.
- D. Not allow the modification of any application once the deadline for complete applications has passed.
- E. Reject and not process any applications that are incomplete.
- F. Reject and not process any application for which any person or entity with an ownership interest in the applicant has been previously issued a license pursuant to this Ordinance, or has had an ownership interest in another previous licensee, and such license has been revoked for non-payment of fees within the last five years.
- G. Reject and not process any application for which any person or entity with an ownership interest in the applicant has been previously issued a license pursuant to this Ordinance, or has had an ownership interest in another previous licensee,

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and such license has been revoked for disciplinary action within the last ten years.

- H. Reject and not process any applications that are submitted by applicants where one or more individuals or entities with an ownership interest has been found unsuitable to hold a privilege license within the city or been subject to disciplinary action in any jurisdiction;

6.95.060 Permit Application Contents

A separate application must be submitted for each license for a medical marijuana establishment. The application for each medical marijuana compliance permit must include:

- A. A complete application per LVMC Chapter 6.06 for the applicant and each person with an ownership interest in the proposed medical marijuana establishment.
- B. A detailed personal and business financial history per LVMC 6.06.030(B) for each person with an ownership interest in the proposed medical marijuana establishment.
- C. A one-time, nonrefundable permit application fee of \$5,000.00.
- D. A complete Special Use Permit application, all applicable fees pursuant to LVMC Chapters 19.12 and 19.16, and all required accompanying documents.
- E. A medical marijuana compliance permit application on forms prescribed by the Director.
- F. A complete description of the products and services to be produced or sold by the medical marijuana establishment.
- G. A complete and accurate copy of the application and all accompanying documents to be filed pursuant to NRS 453A.322 including, but not limited to:
 - 1. All proposals for operations, business plans, attestations, financial documentation, and required tax reports;
 - 2. All documents detailing proposed organizational structure, all narratives, and resumes;
 - 3. All documentation required concerning the adequacy of the proposed building and construction plans with supporting details in the form specified by the City Building Official and the payment of all required review and inspection fees;
 - 4. All testing, transportation, policy and operations manuals, financial plan, and an environmental plan.

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- H. A security plan, including a depiction of the location and configuration of security cameras, indicating how the applicant intends to comply with the requirements related to monitoring and securing the licensed premises as required by this Ordinance.
- I. An accounting plan that includes how sales and inventory will be tracked on a daily, weekly, and monthly basis, and how this information will be stored and safeguarded.
- J. A sign and advertising plan, including all proposed interior signage.
- K. A copy of all contracts, proposed contracts for consulting, management, renting or leasing the premises for the proposed medical marijuana establishment, including written documentation stating that the property owner of the proposed location for the establishment is fully aware of the property's intended use or a copy of the deed to such property showing ownership vested in the applicant;
- L. A written statement acknowledging that the applicant understands applicable federal laws, any guidance or directives issued by the U.S. Department of Justice, the laws of the State of Nevada and the laws and regulations of the City applicable thereto concerning the operation of a medical marijuana establishment. The written statement shall also acknowledge that any violation of any laws or regulations of the State of Nevada or of the City, or any activity in violation of any guidance or directives issued by the U.S. Department of Justice, in such place of business, or in connection therewith, or the commencement of any legal proceeding relating to such medical marijuana establishment by federal authorities, may render the permit and such license subject to immediate suspension or revocation.
- M. A written statement to the Director that the applicant will hold harmless, indemnify, and defend the City against all claims and litigation arising from the issuance of a permit and/or license, including any claims and litigation arising from the establishment, operation, or ownership of the medical marijuana establishment, and that a bond to secure such obligation in the amount of \$250,000 will be provided prior to the issuance of any license.
- N. An acknowledgement that the applicant is seeking a privilege under LVMC Chapter 6.06 and understands that each person with an ownership interest must be found suitable to hold such license by the City Council prior to the issuance of any license; that the applicant understands and acknowledges that the burden of proving qualifications to receive such a permit or license is at all times on the applicant; that the granting of a medical marijuana compliance permit and/or license is at the discretion of the City Council; and that the applicant agrees to abide by the decision.

6.95.070 Director Review.

- A. The Director shall complete a preliminary review of all submitted applications for a medical marijuana compliance permit to determine whether the application is complete. An application shall be deemed complete by the Director only when

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an application filed prior to the close of the noticed application period contains each of the following:

1. Each application, narrative, plan, rendering, contract and other document required in this section;
 2. Proof of compliance with all submittal requirements of NRS 453A and any other regulation or requirement of the State regulating authority;
 3. Proof that the proposed location for the medical marijuana establishment is consistent with the requirements of LVMC Title 19;
 4. All fees have been paid;
 5. All waivers, acknowledgements, and statements are properly signed and acknowledged by the applicant and every principal and person with an ownership interest; and
 6. Each person with an ownership interest has filed complete applications per LVMC Chapter 6.06 and each individual has submitted to fingerprinting and photographing per LVMC Chapter 6.06.
- B. The Director shall reject and return to the applicant any application that is incomplete or otherwise fails to meet the criteria established in this Ordinance, in NRS 453A, or the regulations of the State regulating authority. Permit application fees are non-refundable, and shall not be refunded in the event of rejection of an application.
- C. The Director shall review all complete medical marijuana compliance permit applications that satisfy the applicable criteria, and may refer such applications in part, or in whole, to other City departments or Metro for investigation, review and comment, as the Director deems appropriate.
- D. The Director shall prepare a report on the merits of each complete medical marijuana compliance permit application, the potential suitability of any and all principals and the application's compliance with the provisions of this Ordinance and LVMC Title 19, and the application demonstrates the required financial, technical or educational ability or experience to perform the activity for which approval is sought. In recommending the granting or denying of such medical marijuana compliance permit, the Director shall give particular consideration to the identity, character, and background of the applicant, capacity, capitalization, past business practices of the applicant, operational plan, organizational structure, environmental sustainability and mitigation plans, interior floor plans of the buildings, odor control systems and suitability of the building for the use proposed, site plan as to parking, traffic movement and aesthetics; impact on the surrounding neighborhood; the type and degree of security personnel and facilities and any other factors that in his or her discretion deems necessary to the safety, peace, order and welfare of the public.
- E. The Director may inspect or cause to be inspected each proposed location for a medical marijuana establishment and may call for and conduct interviews. Prior

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to approval of a medical marijuana compliance permit, the Director shall require an inspection by the Fire and Building Departments. Applicants shall pay all inspection fees that may be required in connection therewith.

- F. Following the Director's review, the Director shall forward a report on the merits of each complete application with recommendations to the City Council for consideration.

6.95.080 Council Action on Permits.

- A. The City Council will review all applications for medical marijuana compliance permits that have been deemed complete by the Director. Such review shall occur simultaneously with the review of the applicant's Special Use Permit application for the proposed medical marijuana establishment.
- B. The City Council may approve, deny or take such other action with respect to the Director's recommendations on applications for medical marijuana compliance permits as it considers appropriate. The burden of showing the qualifications, acceptability or fitness for such permit and the location is upon the applicant.
- C. The City Council shall deny any permit if the permit will not be in the best interest of the welfare, health, or safety of the City; or if the application or location is determined by the Council to not be suitable under this Ordinance or the requirements of LVMC Title 19. In considering whether to approve or deny a medical marijuana compliance permit, the City Council shall consider the identity, character, and background of the applicant, capacity, capitalization, past business practices of the applicant, operational plan, organizational structure, environmental sustainability and mitigation plans, interior floor plans of the buildings, odor control systems and suitability of the building for the use proposed, site plan as to parking, traffic movement and aesthetics; impact on the surrounding neighborhood; the type and degree of security personnel and facilities and any other factors that in his or her discretion deems necessary to the safety, peace, order and welfare of the public.
- D. Upon approval of a medical marijuana compliance permit, the Director shall prepare a notice to the State regulating authority pursuant to NRS 453A.322.3(a)(5), outlining that the proposed location has been found in conformance with land use and zoning restrictions and that the applicant is eligible to be considered for a medical marijuana establishment business license. Issuance of such a notice does not preclude the City from conducting further review of an applicant's proposed medical marijuana establishment for compliance with land use, zoning and building requirements, in the context of evaluation of an application for a medical marijuana establishment business license pursuant to LVMC Chapter 6.06 and this Ordinance.
- E. If the City Council denies a medical marijuana compliance permit application, or the State regulating authority fails to rank the application presented within limits of the number of medical marijuana establishments allowed within the City, as established by state law, the applicant may reapply for a medical marijuana

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compliance permit no sooner than one year from the date of the application period in which the application was filed.

- F. Any medical marijuana compliance permit is considered surrendered by the applicant if a business license has not been granted within 12 months of the issuance of a registration certificate issued by the State regulating authority.

6.95.090 Medical Marijuana Establishment – Licenses.

- A. Following action by the State regulating authority issuing a provisional medical marijuana establishment registration certificate, the City Council shall evaluate whether to grant any proposed medical marijuana establishment that received a medical marijuana compliance permit a medical marijuana business license.
- B. The City Council may issue licenses for the following types of medical marijuana establishments:
 - 1. **Medical Marijuana Dispensary.** A medical marijuana dispensary license allows the licensee to acquire, possess, supply and sell or dispense usable marijuana, edible marijuana products, marijuana infused products, and marijuana paraphernalia exclusively to State regulating authority-designated medical marijuana registry card holders.
 - 2. **Cultivation Facility.** A cultivation facility license allows the licensee to acquire, possess, cultivate, package, label, deliver, transfer, transport, supply and sell wholesale marijuana and related supplies to a medical marijuana dispensary, medical marijuana production facility, or to other cultivation facilities only.
 - 3. **Independent Testing Laboratory.** An independent testing laboratory license allows the licensee to independently test marijuana, edible marijuana products and marijuana-infused products that are to be sold at medical marijuana establishments operating in accordance with the requirements of NRS 453A.
 - 4. **Medical Marijuana Production Facility.** A medical marijuana production facility license allows the licensee to acquire, process, manufacture, deliver, transfer, transport, package, and label usable marijuana and marijuana-infused products for sale at wholesale to marijuana dispensaries only.
- C. A medical marijuana establishment license applicant may not exercise any of the privileges of a medical marijuana establishment license until the City Council approves the license and suitability of each person with an ownership interest in the medical marijuana establishment, and final pre-operational inspections have been conducted and all applicable inspection and license fees are paid.
- D. Prior to issuance of a license, the licensee must designate one principal, all key employees and all management personnel to demonstrate competence in local

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regulations as evidenced by a written demonstration administered by the Director.

- E. Licenses shall expire two years from the date of issuance and a licensee must apply for biennial review pursuant to LVMC 6.95.170.
- F. A medical marijuana establishment licensee shall provide and maintain at all times and at its own expense a certificate of insurance at amounts and terms approved by the City Attorney prior to issuance or renewal of a license. Any failure to maintain insurance or provide proof of insurance is ground for the Director to suspend the license.
 - 1. The minimum amount which may be required by the City Attorney shall be \$1,000,000 per occurrence, \$2,000,000 general aggregate for bodily injury and property damage arising out of licensed activities and \$1,000,000 products and completed operations aggregate, Commercial Automobile Coverage in a minimum of \$1,000,000 and excess liability in a minimum of \$3,000,000.
 - 2. Additional insured: The City shall be named as an additional insured on all general liability, umbrella, and excess insurance policies as City, its elected officials, officers, agents, employees and volunteers are included as additional insured. All policies shall be primary over any other valid and collectible insurance.
- G. Prior to issuance or renewal of a license, medical marijuana establishment licensees shall provide a surety bond as set forth in this section. The bond must be at the licensee's own expense and remain in force throughout the term of the license. The bond must cover licensee's obligation, for itself and its agents, employees, subcontractors, and the agents and employees of any subcontractors, to indemnify, defend, and hold harmless the City, and any of its elected or appointed officers, agents, or employees, from any and all claims, demands, actions, damages, decrees, judgments, attorney fees, costs, and expenses which the City, or such elected or appointed officers or employees, may suffer, or which may be recovered from, or obtainable against the City, or such elected or appointed officers or employees, as a result of, by reason of, or arising out of the use of the license, or the exercise by the licensee of any or all of the rights, privileges, permission, and authority conferred herein, or as a result of any alleged act or omission on the part of the licensee in performing or failing to perform any of its obligations. Such surety bond shall be in the amount of \$250,000.
- H. Prior to the issuance or renewal of a license, medical marijuana establishment licensees shall file, and must maintain, a bond from a surety company qualified and authorized to do surety business in the State of Nevada in the penal sum of \$50,000. Such bond must be conditioned to be paid to the City for all license fees and penalties owing against such license.
- I. Upon approval by the City Council of a medical marijuana compliance permit and the issuance of a provisional medical marijuana registration certificate by the State regulating authority, the Director shall process a license application

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pursuant to LVMC Chapter 6.06: The Director shall not issue a temporary license for a medical marijuana establishment.

6.95.100 Facilities Not Located Within the City of Las Vegas.

A medical marijuana cultivation facility, an independent testing laboratory or a medical marijuana production facility which has obtained a business license in a jurisdiction within Nevada other than the City may apply to the Director for a license to provide testing, medical marijuana, edible marijuana products and/or marijuana infused products, if an adequate supply does not exist, to licensed medical marijuana establishments within the City. All applications for such licenses will be processed pursuant to LVMC Chapter 6.06 and shall be required to pay all license fees applicable to medical marijuana establishments located within the City. Medical marijuana establishments located outside of the City shall not be required to comply with the permit process set forth in LVMC 6.95.040.

6.95.110 Medical Marijuana Establishments – General Requirements and Restrictions.

- A. Each medical marijuana establishment licensee shall operate only in compliance with all State regulations, all City regulations, and the plans, procedures and policies submitted with the permit and approved by the Director, and any restrictions imposed in connection with issuance of the license.
- B. At least one qualified person shall be on the premises of a medical marijuana dispensary at all times during the hours of operation. For purposes of the preceding sentence, a “qualified person” means a principal who has been approved for suitability pursuant to LVMC 6.06.06 or a key employee who has been approved for suitability pursuant to that Section.
- C. A medical marijuana establishment may not allow the use, smoking, ingestion or consumption of any marijuana, edible marijuana, or marijuana-infused product on the licensed premises.
- D. Any person or premises licensed as a medical marijuana establishment shall comply with all City ordinances regulating signs and advertising. All signs and advertisements must comply with all requirements of the State regulating authority.
- E. Material that is misleading, deceptive, or false, as evidenced either by the content of the advertising material or by the medium or the manner, in which the advertising is disseminated, is designed to appeal to minors or promote the use of marijuana is prohibited.
- F. With respect to issues regarding signs and advertising that are not governed by LVMC Title 19, each medical marijuana establishment shall conform to the approved sign and advertising plan as a condition of the license. The Director shall not recommend for approval any sign and advertising plan that:

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1. Has not been approved by the State regulating authority and does not comply with all the requirements of the State regulating authority;
 2. Promotes the use of marijuana, or is appealing to minors;
 3. Provides advertising visible to members of the public from any street, sidewalk, park or other public place, including advertising utilizing any of the following media:
 - a. A sign mounted on a vehicle;
 - b. Any hand-held, human signage or other portable sign; or
 - c. Any handbill, leaflet or flier directly handed to any person, deposited, fastened, thrown, scattered, cast, or placed in a public place, left upon a motor vehicle, or any handbill, leaflet or flier posted upon any public or private property without the consent of the property owner;
 4. Provides advertising by means of any video, print, online media, newspaper, magazine, other periodical of general circulation, radio or broadcast medium which is generally or specifically marketed to minors.
- G. The presence of minors on the premises of a medical marijuana establishment is prohibited unless the minor is a qualified patient on the premises of a dispensary and is accompanied by his or her parent or legal guardian. No licensee shall cause, permit or allow, either by act or by failure to act, the violation of this subsection.
- H. Medical marijuana, edible marijuana products and/or marijuana infused products may only be transported in accordance with the requirements of this Chapter, and only by a licensed medical marijuana establishment. No other person shall transport medical marijuana, edible marijuana products and/or marijuana infused products on behalf of a licensed medical marijuana establishment. Transportation must meet all requirements of the State regulating authority. Product must be placed in unmarked, non-transparent transportation containers.
1. All required transportation logs must be in the vehicle and made available to law enforcement at any time the log is inspected. Upon being stopped by a law enforcement officer within the City, each driver must identify to the officer that the product contained within the vehicle is medical marijuana, edible marijuana products or marijuana-infused products, as the case may be, from a licensed medical marijuana establishment and must present a state agent registration card, the route the vehicle was authorized to travel and the actual travel log for inspection.
- I. Each licensee is responsible to obtain a biennial building inspection from the Building Official prior to renewal of any license.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- J. Any closure either temporary or permanent must be noticed in writing to the Director 15 days prior to such closure, unless an emergency requires the closure of such facility which must be reported to the Director within 24 hours of such closure.
- K. Each licensee must meet the accounting and auditing procedures established by the Department to track and record all sales for audit purposes. The Department must have access to such records as provided for under LVMC 6.02.020.
 - 1. If an annual audit is required by the State regulating authority, the licensee shall submit the audit report to the City within 90 days of the completion of the audit. All reports or evaluations submitted hereunder shall be confidential and shall not be available for public inspection, except as may be required under State or federal law.
 - 2. In compliance with all State and Federal privacy laws the licensee shall allow the Director or a designee unrestricted access to all financial documents, books, records, facilities, and all audio and video surveillance pertaining to the facilities. Any information obtained pursuant to this section or any statement filed by the licensee shall be deemed confidential in character and shall not be subject to public inspection or as determined by State and Federal privacy laws.

6.95.120 Security Requirements.

Each medical marijuana establishment must submit, maintain and follow a security plan approved by the Director. Any proposed modification to an approved security plan must be submitted to the Director for approval. Any security plan must meet all the criteria established by the State regulating authority and the following minimum requirements:

- A. Each licensed premises must have a security system which monitors all perimeter entry points, windows, and controlled areas by a centrally monitored alarm company properly licensed with the City, and whose agents are properly licensed and registered under applicable laws.
- B. A 24 hour surveillance system is required to monitor the interior and exterior of a medical marijuana establishment, a live feed of which must be accessible to authorized law enforcement at all times, and in real-time.
 - 1. All recorded images must clearly and accurately display the time and date. Time is to be measured in accordance with U.S. National Institute of Standards and Technology standards.
 - 2. The surveillance system's data storage device must be secured on-site in a lock box, cabinet, closet, or secured in another manner to protect from employee or third-party tampering or criminal theft.
 - 3. A sign must be posted in any customer areas that the customer is under video surveillance.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- C. The establishment shall be responsible for ensuring compliance with all local and state regulations regarding the facility and must monitor parking areas and outdoor areas of the licensed premises for loitering, unlawful sale of medical marijuana by customers, and consumption of medical marijuana.
- D. Any theft of items containing marijuana or the observance of any unauthorized transactions of medical marijuana on the licensed premises must be reported to Metro and the Department in written communication within 24 hours of occurrence.
- E. A sign shall be posted at the entrance to the location containing the name and functioning telephone number of a 24-hour on-call member engaged in the management of a medical marijuana establishment who shall receive, log, and respond to complaints and other inquiries.
- F. In addition to complying with all requirements set by the State regulating authority, any licensed cultivation facility shall:
 - 1. Secure the cultivation facility with full video surveillance capable of clearly identifying any activities occurring within twenty (20) feet of the exterior of the building and any parking, fenced, or loading areas. A motion detection lighting system may be employed to illuminate the gate area in low light conditions.
 - 2. Must provide on-site security between the hours of 10:00 p.m. and 6:00 a.m.
- G. In addition to complying with all requirements set by the State regulating authority, any licensed medical marijuana production facility shall ensure all production, transport, delivery, shipping, labeling and packaging areas have fixed camera coverage capable of identifying activity occurring within a minimum of twenty feet.
- H. In addition to complying with all requirements set by the State regulating authority, any licensed medical marijuana dispensary shall contain the following areas, separated and segregated, and consistent with the following specific criteria:
 - 1. Waiting area containing only one entrance for the public, which is visible immediately from one fixed staffed security station. The entire waiting area must also be monitored by surveillance cameras.
 - 2. Consultation room where medical marijuana products are viewed for purchase, which must be:
 - a. Separated and segregated from any waiting area;
 - b. Any windows or viewing areas must be obscured from the public right of way or waiting area;

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- c. Any customer allowed to enter any room where medical marijuana, edible marijuana products, or marijuana infused products are viewed for purchase is required to be accompanied by an employee of the establishment;
 - d. Only sample products may be viewed for purchase in such a room; samples may be shown to customers outside of nontransparent packaging.
 - e. Customers may not remove any medical marijuana, edible marijuana products, or marijuana infused products from the consultation room.
- 3. All medical marijuana, edible marijuana products, or marijuana infused products, during non-business hours, must be stored in a separated and secured area.
 - a. The area must meet the Building Official's standards for odor control.
 - b. The area must be under surveillance by the camera system at all times.
 - c. One area may store both product and legal tender, however separate storage devices must be maintained and both must be under video surveillance.
- 4. All medical marijuana, edible marijuana products, or marijuana infused products must be placed in an opaque bag or cover that does not allow the product to be visible from outside of the bag or cover and closed by the attendant of the dispensary prior to transfer to a customer.

6.95.130 Cultivation Facility.

- A. A cultivation facility must meet all odor control regulations established by the building department. Within 24-hours of any complaints concerning odors, a cultivation facility shall respond to the complaints and file with the Director and the Building Official all action taken to address odor complaints. The Building Official, upon determination of the existence of detectable odor from any cultivation facility, may require additional measures by the facility to control such odor and a timeframe for the implementation of such measures at any cultivation facility. Failure to complete required improvements within the timeframe specified by the Building Official is grounds for suspension of the license by the Director.
- B. Any medical marijuana that is transported to a medical marijuana dispensary must be packaged for retail sale in tamper evident containers of not more than two and one-half ounces and placed in unmarked, non-transparent transportation containers.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- C. Any medical marijuana that is transported to a medical marijuana production facility must meet all State regulating authority standards.
- D. Applicants must designate on their permit application the size of the area proposed to be under cultivation on the premises. The cultivation area will be limited to the square footage granted on the license. Other floor space of the facility may be used for walkways, ventilation, storage or any other purposes required by the State regulating authority or the licensee for operations of the business. Allocated square footage of cultivation area may be requested to be increased upon petition to the Director prior to the renewal of the license.
- E. The Council may reduce the square footage of any applicant or licensee if the Council determines the size of the proposed facility is not in the interest of the surrounding community;
- F. Prior to accepting any plant materials into the cultivation facility for the first time, the cultivation facility shall notify the Department to conduct a pre-operational inspection and shall pay all related inspection fees.

6.95.140 Independent Testing Laboratories.

In addition to any other requirement set forth herein, Independent Testing Laboratories must submit a registration certificate from the State regulating authority, must maintain all state laboratory licenses required to test substances such as medical marijuana, and provide a copy of such licenses and approvals at the time of licensing.

6.95.150 Medical Marijuana Production Facility.

- A. Inspections. The Department will conduct a pre-operational inspection at all medical marijuana production facilities to determine whether the facilities, methods, practices and controls used in the manufacture, processing, or holding of edible marijuana products or marijuana-infused products conform to or are operated or administered within the requirements of this Ordinance. The licensee is responsible for the costs of all inspections.
- B. Products and Labeling. Products sold at City-licensed medical marijuana dispensaries must meet the following:
 - 1. No infused products may contain alcoholic beverages as defined and regulated by LVMC Chapter 6.50;
 - 2. No product shall have the appearance or packaging of candies, characters, shapes or other like products which are commonly marketed to children;
 - 3. No infused water or beverages may be produced or bottled for drinking as a beverage;

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

4. Packaging must be opaque. Products must not be visible from or depicted on the packaging;
5. Labels must be simple in appearance without pictures or depictions of objects, such as toys, characters, pictures of children, or cartoon characters or any other depiction which are commonly marketed to children;
6. Labels must not have the appearance of similar labels found in a grocery store;
7. The City may create a logo that must be placed on the packaging for all edible marijuana products and marijuana-infused products. If such a logo is created, it shall be applied to all such products;
8. Any edible marijuana products or marijuana infused products that are transported to a licensed medical marijuana dispensary must be packaged for retail sale in tamper evident containers and placed in unmarked, non-transparent transportation containers; and
9. The maximum number of servings in any one single unit of marijuana-infused product meant to be eaten or swallowed is ten servings of no more than ten milligrams of active THC per serving. THC is defined in NRS 453A.155. A single unit of marijuana-infused extract for inhalation cannot exceed one gram.

6.95.160 Medical Marijuana Dispensary – Requirements and Limitations.

Each licensed medical marijuana dispensary shall comply with the following requirements:

- A. Prices for all products shall be prominently posted in the waiting area in a location and manner readily visible to prospective and actual clients. Prices shall not be posted on the exterior of the licensed premises.
- B. All edible marijuana products and marijuana infused products offered for sale at licensed dispensaries shall meet the requirements, restrictions and labeling of edible marijuana products and marijuana infused products in accordance with LVMC 6.95.150(B). (see Medical Marijuana Production Facility)
- C. Any dispensary that sells edible marijuana products or marijuana infused products must display a placard that states the following:
 1. Edible Marijuana and Marijuana Infused Products: There may be health risks associated with consumption of edible marijuana products or marijuana infused products.
 2. Edible products and marijuana infused products contain marijuana or active compounds of marijuana.

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3. Should not be used by women who are pregnant or breast feeding.
4. When eaten or swallowed, the intoxicating effects of this product can be delayed two or more hours.
5. Follow all recommended dosage and serving guidelines and recommendations.
6. "KEEP OUT OF REACH OF CHILDREN"

The placard shall be no smaller than 8 inches tall by 12 inches wide, with font size letters no smaller than 48. The placard shall be clearly visible and readable by customers and shall be written in English.

- D. A medical marijuana dispensary is not allowed to sell gifts, novelties or participate in ancillary business sales activity within a medical marijuana dispensary with the exception of the following:
1. Paraphernalia as defined by NRS453A.125, the sale of which is limited to the consultation room and only to a display area of 10 square feet of gross retail space in the room.
 2. Ancillary services which are services approved in the educational plan by the State regulating authority, and which also must be approved for an ancillary license by the City.
- E. A dispensary may locate one automatic teller machine for access to patients only for the dispensing of money if the person operating the machine has been approved by the Director under LVMC 6.06.125 and the business is licensed to operate such by the City. Money and legal tender may not be stored onsite except as detailed in the approved security plan.
- F. The following activities to promote the use of marijuana are prohibited:
1. The giving of free samples or free product to any person, employee or customer;
 2. No employee shall be paid for services in the form of marijuana product;
 3. Reward programs, customer loyalty programs, promotional activities;
 4. No novelty merchandise may be produced or allowed to have any approved logo or business name to be used on such merchandise; and
 5. The display of any product in any manner visible to the general public from the right of way or outside of the facility.
- H. The following activities are prohibited for all licensed medical marijuana dispensaries:

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

1. Off-site transportation or sale of medical marijuana, edible marijuana products or marijuana infused products, except to another licensed medical marijuana establishment or the location of the residence of a registry card holder and only to a residential address specified on the registration card. All sales and distribution of medical marijuana, edible marijuana products or marijuana infused products by a licensed medical marijuana dispensary shall occur only upon the licensed premise, and the licensee shall be strictly prohibited from transporting or selling medical marijuana to any person at any other location.
2. A drive-thru or walk-up window for transactions or product transfer.
3. Except as otherwise permitted by Paragraph (1) of this Subsection (H):
 - a. A dispensary shall not dispense or distribute, sell, transfer or in any other way provide marijuana, edible marijuana products or marijuana infused products other than by direct, face-to face, in-person transaction with the holder of a registry identification card or designated primary caregiver at the licensed facility; and
 - b. Marijuana shall not be provided by any other means of delivery including, without limitation:
 - i. Internet sales.
 - ii. The transport, mail or private delivery of product.
- I. Dispensaries must inform each customer either by signage, written receipt or on product labeling that it is illegal to re-sell medical marijuana, edible marijuana products or marijuana infused products to any person.
- J. The Dispensary shall provide the Director, Metro and all neighbors located within fifty (50) feet of the premises with the name, phone number, and facsimile number of an on-site community relations staff person to whom one can provide notice if there are operating problems associated with the Dispensary.
- K. No advertising, materials or postings within the waiting areas may advertise locations, devices or activities promoting the consumption of marijuana or other facilities selling or purporting to provide locations for the private or public consumption of marijuana.
- L. Medical marijuana, edible marijuana products and/or marijuana infused products shall be obtained from licensed medical marijuana establishments within Clark County if an adequate supply is available from licensed medical marijuana establishments located within Clark County.
- M. A medical marijuana dispensary must maintain an electronic verification system in accordance with the requirements of the State regulating authority, which must be used to record data required by the State regulating authority and to validate each registry identification card presented and the allowed amount of medical marijuana to be dispensed.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- N. A medical marijuana dispensary's hours of operation shall be limited to between 6:00 a.m. and 10:00 p.m.

6.95.170 Biennial Review of License.

- A. Every two years from the date of issuance each licensee must submit to a review of the issued license.
- B. Documentation required for the biennial review must be submitted at least 60 days prior to the expiration of the license.
- C. Documentation for the biennial review must be provided on a form approved by the Director and accompanied by:
 - 1. A new license application per LVMC Chapter 6.06;
 - 2. A nonrefundable application renewal fee of \$1,000.00;
 - 3. List of all ownership or affidavit testifying that no changes have occurred;
 - 4. Signed affidavits from each principal attesting to the fact that there have not been any arrests or convictions of a crime in any jurisdiction and they have not had disciplinary action taken against them or an associated business where a business license is held;
 - 5. If changes are requested, a detailed proposal for changes to any of the plans or documents approved with the initial license or previous renewal, including the sign plan, security plan, environmental plan, operational plan, or building plans;
 - 6. A copy of all current and proposed contracts for consulting, management, renting or leasing;
 - 7. A copy of all contracts with any other medical marijuana establishments; and
 - 8. A statement certifying and attesting that no changes have occurred in the ownership, operations or original application with the exception of those specifically noted in the renewal application.
- D. The Director may approve the review and approve a renewal of the license based on a determination that no material changes have been made to the original application or refer the review with noted requested changes to the Council for consideration. The City Council may approve, approve with conditions, deny or take such other action as it deems appropriate. All changes in ownership or location must be referred to the City Council as a new permit application during a posted request for medical marijuana compliance permits.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- E. The Director may deny renewal of a license based on the failure or refusal of a licensee to carry out the policies and procedures or comply with the plans and statements provided to the Department with the application for the license.
- F. The Director may deny renewal of a license if the establishment is not in compliance with this Ordinance or has any unpaid fees.

6.95.180 Closure or Bankruptcy of a Medical Marijuana Establishment.

- A. Prior to the issuance of a license or the renewal of a license, each applicant must file with the Director a plan for the disposal, maintenance or transfer of all plant material, products and usable medical marijuana for implementation due to any of the following conditions:
 - 1. Closure of the medical marijuana establishment, revocation or nonrenewal of the registration certificate issued by the State regulating authority, or revocation or nonrenewal of a license granted pursuant to this Ordinance.
 - 2. The appointment of an administrator, receiver, trustee, or assignee in the event of the receivership, bankruptcy, or assignment for benefit of creditors of any licensee.
- B. The plan must include:
 - 1. The Director must be notified within ten (10) days of such appointment to act pursuant to Paragraph (2) of Subsection (A) above.
 - 2. That business must cease all sales of medical marijuana products including wholesale, edible or infused products and dispensary sales until such time as a new certificate has been issued by the State regulating authority and a license has been granted by the City.
 - 3. An inspection prior to the transfer of any materials to be disposed of or transferred to another licensed medical marijuana establishment.
 - 4. The plan must be executable within ten (10) days and approved by the Director.
- C. When the matter is resolved, the true party(ies) of interest may apply for a license once certified by the State regulating authority.

6.95.190 Disposal of Medical Marijuana.

Medical marijuana and any waste including wastewater must be stored, secured and managed in accordance with applicable state statutes and regulations and LVMC Title 14 and state approved disposal plan. A medical marijuana establishment must dispose of medical marijuana that is not usable marijuana within ten (10) calendar days

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

of expiration of use. Medical marijuana waste must be made unusable prior to leaving a licensed medical marijuana facility.

- A. Wastes that must be rendered unusable prior to disposal include, but are not limited to:
 - 1. Marijuana plant waste, including roots, stalks, leaves, and stems that have not been processed with solvent.
 - 2. Solid marijuana sample plant waste possessed by third-party laboratories certified by the State regulating authority for quality assurance that must be disposed of.
- B. The allowable method to render marijuana plant waste unusable is by grinding and incorporating the marijuana plant waste with non-consumable solid waste or other ground materials so the resulting mixture is at least fifty percent non-marijuana waste by volume. Other methods to render marijuana waste unusable must be approved by the State regulating authority and the Director before implementing.
- C. Marijuana waste rendered unusable following an approved method in the facility disposal plan may be delivered to a franchised or licensed solid waste facility for final disposition.
- D. Disposal cannot include medical marijuana product including plant material entering the City wastewater collection system, storm drain system or any unsecure rubbish disposal system.
- E. A medical marijuana establishment shall not transfer, share, give, sell or deliver any unused medical marijuana in the establishment's possession to any other person, regardless of whether they are licensed as a medical marijuana establishment.
- F. A medical marijuana establishment shall not dispose of medical marijuana in any manner other than permitted under this Ordinance.

6.95.200 Work Card and Agent Registration Card Requirements.

Each employee, whether a full- or part-time employee, independent contractor, or volunteer who works in a medical marijuana establishment business or facility shall obtain prior to the commencement of work and keep in force during the term of employment, a work card issued pursuant to LVMC Chapter 6.86. A complete and accurate list of all employees and volunteers, each of whom must have a valid medical marijuana establishment agent registration card and work card issued pursuant to LVMC Chapter 6.86, must be kept onsite and available for inspection at all times. The list must contain the current employment status, position and title of each employee and volunteer, and work shift.

It shall be a condition of the license to inform the City of any change in the employment status of a registered employee or volunteer who serves in a management

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

position or as a key employee within ten (10) days of the effective date of the change in employment status. A change of employment status includes termination, leave of absence, and promotion to a management position or key employee.

6.95.210 Confidential Information.

The confidentiality of records regarding medical marijuana establishments shall be in accordance with Federal and State law. The duty to disclose any particular record as a public record shall be in accordance with State law.

6.95.220 Disciplinary Actions, Suspension and Revocation of Licenses.

All licenses authorized and issued under the provisions of this Ordinance may be subject to immediate suspension by the Director, if the Director finds that:

- A. A licensee has violated, or permitted, allowed or caused a violation of any provision of this Ordinance, any regulation issued pursuant to this Ordinance, any condition of approval imposed upon the issuance of the permit or license, or any State law or regulation relating to the operation;
- B. If the State registration certificate has been surrendered, suspended or revoked;
- C. Based on ascertainable facts, the operation substantially aggravates the crime problems in the City, makes law enforcement unduly difficult, or is detrimental to the public health, safety or welfare of the City;
- D. A licensee has made any fraudulent statements as to a material fact on an application form, as to any other information presented as part of the application process, or in connection with any other information required to be submitted to the Director pursuant to this Ordinance;
- E. A licensee knowingly commits any act which would have constituted grounds for denial of an application for a license;
- F. Licensee has failed either to file the required reports or biennial review documentation or to furnish such information as may be reasonably required by the Director under the authority vested in the Director by the terms of the provisions relating to the specific license;
- G. Any fact or condition exists which, if it had existed or been known to exist at the time of the application for such compliance permit or license, would have warranted the Director to recommend denial of the permit or license;
- H. The licensee has failed to maintain the premises in compliance with the requirements of the building official or the fire chief or any environmental or health department.

Any act or omission committed by any employee, agent, or independent contractor that occurs in the course of his or her employment, agency, or contract with

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

the licensee shall be imputed to the licensee for the purposing of imposing any civil penalty, suspension, or revocation on the licensee.

In lieu of any license suspension, the director may assess a civil penalty against the licensee per LVMC Chapter 6.02.

In the event of any condition that justifies suspension of a license, the Director shall have the discretion to recommend to the City Council that the license be revoked, or other penalty imposed.

In the event of the suspension of any license, the Director shall provide written notice by certified mail addressed to the licensee and the building owner at the addresses of record. Notice shall also be sent to the state regulating authority.

Failure to immediately suspend all business operations to the public or other medical marijuana establishments shall require the Director to post the property as closed by order of the Director, and shall be grounds for revocation of a license. Staff of a licensed cultivation facility is permitted to be onsite during the appeal process to maintain the needs of the plants for a cultivation facility.

A licensee may appeal any suspension, nonrenewal or other penalty to the City Council. Any suspension or other penalty shall be effective pending completion of any appeal. All appeals will be processed per LVMC Chapter 6.06.

6.95.230 Fees.

A. Annual License Fee:

1. Each annual fee is due in advance on July 1st of each year. Applicants who receive license approval on a date other than such due date shall have their license fees prorated on a monthly basis. License fees paid pursuant to the code are not refundable.
2. Any annual fee which is not received by the Department on or before the due date shall be assessed a late-payment penalty amount equal to ten percent of the amount of such annual fee.
3. If the annual fee and penalty is not received by the Department within fifteen days after the due date, an additional penalty in an amount equal to twenty-five percent of such annual fee shall be assessed.
4. If the annual fee and all penalties are not received by the Department within sixty days after the due date, the license shall be automatically revoked.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

5. Each licensee shall pay to the Department in advance, the annual fees set forth in the following schedule:

License Category	Annual License Fee (Dollars)
Medical Marijuana Cultivation Facility	\$20,000 for 1st 5,000 square feet of approved cultivation area and \$10,000 for each additional 5,000 square feet, or portion thereof, of approved cultivation area
Medical Marijuana Production Facility	\$25,000
Medical Marijuana Dispensary	\$75,000
Independent Testing Laboratory fees per LVMC 6.04	\$10,000

B. Semi-Annual Gross Revenue Fee for Medical Marijuana Dispensary:

1. Gross revenue fees shall be administered in accordance with LVMC 6.02.160 through 6.02.220, LVMC 6.02.240 through LVMC 6.02.260.
2. If the semi-annual fee and all penalties are not received by the Department within sixty days after the due date, the license shall be automatically revoked.
3. A semi-annual license fee based on the gross sales of the medical marijuana dispensary facility according to the following schedule:
 - a. All medical marijuana products received directly from the medical marijuana cultivation facility for sale shall be calculated on 5% of gross sales.
 - b. All medical marijuana products received directly from the medical marijuana production facility for sale shall be calculated at 7% of gross sales.
 - c. Sales other than medical marijuana shall be calculated pursuant to LVMC 6.04.005.

6.95.240 Cultivation Limit.

The Council may enter into agreements with other local governments to restrict cultivation to a regional location or a regional limit based on square feet of building space that may be licensed for the cultivation of medical marijuana to supply licensed dispensaries within the City.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

6.95.250 Construction

Except as otherwise specifically provided herein, this Ordinance incorporates the requirements and procedures set forth in NRS 453A and NAC 453A. In the event of any conflict between the provisions of this Ordinance and the provisions of NRS 453A and NAC 453A, or any other applicable State or local law, the more restrictive provision shall control.

SECTION 2: Title 6, Chapter 2, Section 250, of the Municipal Code of the City, Nevada, 1983 Edition, is hereby amended to read as follows:

6.02.250 Delinquency – Expiration – Reinstatement.

- (A) All license fees other than gaming, alcoholic beverage and medical marijuana license fees shall become delinquent if not received within fifteen days after the due date. If full payment is not made within fifteen days after the due date, fifteen percent of the entire license fee shall be assessed as a penalty, payable in addition to the license fee; provided, however, if the fifteenth day following the due date is a day that the principal offices of the City are not open to the public, the penalty must not be assessed if the license fee is received before midnight of the next day on which the principal offices of the City are open to the public.
- (B) Except as otherwise provided in Subsection (E) with respect to ice cream truck and medical marijuana establishment licenses, all licenses for which fees and assessed penalty charges have not been paid within sixty days after the license fee due date are deemed expired and shall not be reinstated until the license fees, assessed penalty charges and a reinstatement fee of fifty dollars have been paid. A license is eligible for reinstatement only within the four-month period following its expiration.
- (C) The Director may refer any delinquent license fees and assessed penalty charges to a collection agency for collection if they have not been paid within sixty days after the license fee due date. The Director may do likewise regarding any service charges and administrative fees that have been assessed pursuant to LVMC 6.02.020(B)(7) and have not been paid in a timely manner.
- (D) As a condition of reinstatement of a license deemed expired pursuant to Subsection (B) of this Section, the licensee shall, in addition to payment of any outstanding license fees, penalty charges, service charges, administrative fees, and reinstatement fees, reimburse the City for any expenses it has incurred as a result of referring the licensee's delinquent license fees and assessed penalty charges to a collection agency.
- (E) The renewal and expiration of ice cream truck licenses shall be in accordance with LVMC 6.47.030(B)(4). The renewal and expiration of medical marijuana licenses shall be in accordance with LVMC 6.95.170.

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

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LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101

Account # 22515
Ad Number 0000197485

2014 JUN -2 A 11: 53

Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 05/23/2014 to 05/23/2014, on the following days:

05 / 23 / 14

BILL NO. 2014-33

AN ORDINANCE TO ESTABLISH
LICENSING REGULATIONS AND
STANDARDS FOR MEDICAL
MARIJUANA ESTABLISHMENTS,
AND TO PROVIDE FOR OTHER
RELATED MATTERS.

Sponsored by: Councilman Bob
Coffin

Summary: Establishes
licensing regulations and
standards for medical
marijuana establishments.

At the City Council meeting of
May 21, 2014
BILL NO. 2014-33 WAS READ BY
TITLE AND REFERRED TO A
RECOMMENDING COMMITTEE

COPIES OF THE COMPLETE
ORDINANCE ARE AVAILABLE FOR
PUBLIC INFORMATION IN THE
OFFICE OF THE CITY CLERK, 2ND
FLOOR, 495 SOUTH MAIN
STREET, LAS VEGAS, NEVADA

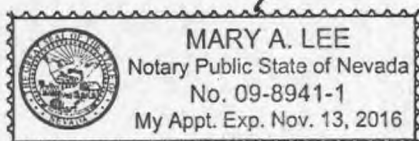
PUB: May 23, 2014
LV Review-Journal

/s/

Stacey M. Lewis
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 23rd day of May, 2014

Notary



AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

**LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101**

**Account # 22515
Ad Number 0000212967**

Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 06/07/2014 to 06/07/2014, on the following days:

06 / 07 / 14

FIRST AMENDMENT

**BILL NO. 2014-33
ORDINANCE NO. 6324**

**AN ORDINANCE TO ESTABLISH
LICENSING REGULATIONS AND
STANDARDS FOR MEDICAL
MARIJUANA ESTABLISHMENTS,
AND TO PROVIDE FOR OTHER
RELATED MATTERS.**

Sponsored by: Councilman Bob Coffin
Summary: Establishes licensing regulations and standards for medical marijuana establishments.

The above and foregoing ordinance was first proposed and read by title to the City Council on the 21st day of May 2014 and referred to a committee for recommendation; thereafter the committee reported favorably on said ordinance on the 4th day of June 2014, which was a regular meeting of said City Council; and that at said regular meeting the proposed ordinance was read by title to the City Council as introduced and was adopted by the following vote:

VOTING "AYE": Mayor Goodman and Councilmembers Anthony, Ross, Barlow, Coffin, Tarkanian, and Beers
VOTING "NAY": NONE
EXCUSED: NONE

COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA

PUB: June 7, 2014
LV Review-Journal

IS/ *Stacey M. Lewis*
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 9th day of June, 2014

Notary *Mary Lee*

